



STATE OF MICHIGAN  
DEPARTMENT OF TREASURY

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GOVERNOR

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STATE TREASURER

**DATE:** December 16, 2013

**TO:** Members of the State Tax Commission

**FROM:** Kelli Sobel, Executive Director

**SUBJECT:** Electric Distribution Cooperatives System Economic Factors for 2014

Earlier this year, the State Tax Commission entered into a settlement agreement regarding the development of system economic factors for the electric distribution cooperatives. This agreement required the adoption of a new methodology for determination of the factors for a three year trial period beginning with the 2014 year.

Staff has calculated the factors using this new methodology and recommends adoption of the following factors for the 2014 year:

Cooperative	Factor as a %
Alger Delta	67
Bayfield	67
Cherryland	85
Cloverland	90
Great Lakes	79
Midwest Energy	90
Ontonagon	65
Presque Isle	75
Thumb	74
Tri-County	79